

WASHINGTON STATE DEPARTMENT OF REVENUE



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Property Taxes Increase 2.49 percent for 2003

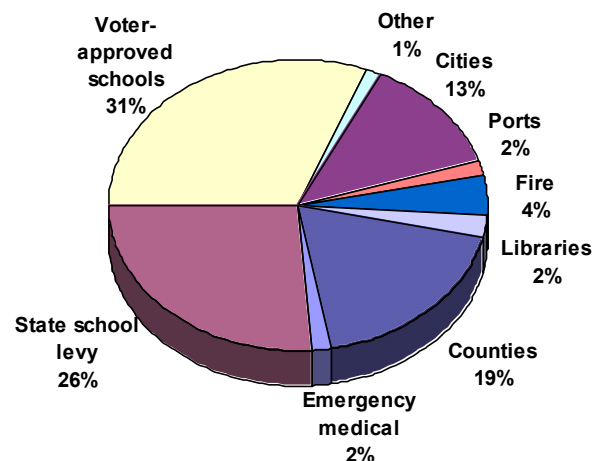
OLYMPIA, Wash., Sept. 10, 2003 — Property taxes increased an average 2.49 percent statewide between 2002 and 2003, equal to a \$62.28 increase on a \$200,000 home, the Washington State Department of Revenue reported today.

Property Tax Statistics – 2003, the agency's annual compilation of property tax data, showed that statewide property tax levies due in 2003 grew by 4.63 percent to \$6,254.2 million, but more than half of this increase was due to taxes on new construction and improvements. The 2.49 percent increase applies to existing properties that were on the tax rolls for taxes due in 2002.

The slow rate of growth in taxes is due mainly to the effects of Initiative 747 in 2001, which voters approved in 2001. I-747 limited taxing districts to 1 percent annual increases in taxes without voter approval. I-747 does not limit additional tax revenues generated by new construction, nor the use of "banked capacity" by districts that had collected less than their maximum rates in the past.

The statewide average tax bill on a \$200,000

**Property Tax Distribution
\$6.25 billion in 2003**



home increased \$62.28 to \$2,566.19 in 2003. This is based on the property rising 5.88 percent in value, but with the average statewide rate dropping 19 cents to \$12.33 per \$1,000 assessed valuation.

The average change in taxes varies by county. Some counties experienced sharp increases or decreases in valuations and tax rates, generally due to local economic conditions and the passage or failure of voter-approved levies and bonds.

In King County, for example, taxes on existing properties rose 3.53 percent, but that was mainly due to an increase in voter-approved school levies not subject to the 1 percent limit. By contrast, taxes dropped 3.03 percent in Spokane County due largely to a sharp drop in voter-approved levies.

The attached table shows average changes by county. These averages do not reflect changes in taxes on any specific property. Taxes depend on a property's location within various taxing districts such as cities and school districts, whether or not school levies and other voter-approved measures were approved or rejected, and how much the property has changed in value relative to other properties in a district. Taxes can increase by more than 1 percent on properties that are rising in assessed value more quickly than others within a taxing district, but this would have to be offset by lower taxes on slower-growing properties so the overall revenue increase does not exceed the 1 percent limit.

In 2000, the most recent year for which national comparisons are available, Washington ranked 23rd highest among states in property taxes per \$1,000 personal income. Taxes equaled \$31.53 per \$1,000 income, 54 cents below the national average of \$32.07. Washington's ranking is expected to drop when the effects of Initiative 747 begins showing up in the 2002 comparisons. The Department of Revenue estimates that taxpayers will save \$1.5 billion in property taxes from 2002 through 2007 due to the I-747 limits.

The complete report is available at

http://dor.wa.gov/docs/reports/2003/Property_Tax_Statistics_2003/stats_contents.asp

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Tax Changes on Existing Properties by County				
Based on a home assessed at \$200,000 for 2002 taxes				
	Average tax*		Tax	%
County	2002	2003	Change	Change
Adams	\$2,746.63	\$2,755.29	\$8.66	0.32%
Asotin	\$2,914.43	\$3,000.16	\$85.73	2.94%
Benton	\$2,821.35	\$2,829.52	\$8.17	0.29%
Chelan	\$2,652.60	\$2,732.88	\$80.28	3.03%
Clallam	\$2,231.47	\$2,399.93	\$168.46	7.55%
Clark	\$2,745.04	\$2,805.08	\$60.05	2.19%
Columbia	\$2,751.77	\$2,728.29	(\$23.49)	-0.85%
Cowlitz	\$2,501.49	\$2,498.10	(\$3.39)	-0.14%
Douglas	\$2,821.22	\$2,775.75	(\$45.47)	-1.61%
Ferry	\$2,230.11	\$2,081.27	(\$148.84)	-6.67%
Franklin	\$3,048.57	\$3,225.63	\$177.06	5.81%
Garfield	\$3,166.98	\$3,090.70	(\$76.28)	-2.41%
Grant	\$2,876.65	\$2,818.62	(\$58.02)	-2.02%
Grays Harbor	\$2,640.94	\$2,701.50	\$60.55	2.29%
Island	\$1,888.30	\$1,953.33	\$65.03	3.44%
Jefferson	\$2,350.51	\$2,373.01	\$22.50	0.96%
King	\$2,233.75	\$2,312.60	\$78.84	3.53%
Kitsap	\$2,773.52	\$2,831.49	\$57.96	2.09%
Kittitas	\$2,149.48	\$2,182.75	\$33.26	1.55%
Klickitat	\$2,485.58	\$2,298.57	(\$187.01)	-7.52%
Lewis	\$2,332.11	\$2,326.38	(\$5.72)	-0.25%
Lincoln	\$2,808.76	\$2,785.68	(\$23.08)	-0.82%
Mason	\$2,541.90	\$2,567.84	\$25.94	1.02%
Okanogan	\$2,513.07	\$2,498.69	(\$14.38)	-0.57%
Pacific	\$2,494.24	\$2,697.28	\$203.04	8.14%
Pend Oreille	\$2,630.63	\$2,614.97	(\$15.66)	-0.60%
Pierce	\$2,987.16	\$3,010.88	\$23.72	0.79%
San Juan	\$1,622.53	\$1,614.65	(\$7.88)	-0.49%
Skagit	\$2,462.77	\$2,489.94	\$27.17	1.10%
Skamania	\$2,050.33	\$2,054.29	\$3.96	0.19%
Snohomish	\$2,702.36	\$2,841.22	\$138.86	5.14%
Spokane	\$2,988.00	\$2,897.43	(\$90.57)	-3.03%
Stevens	\$2,286.89	\$2,193.13	(\$93.76)	-4.10%
Thurston	\$2,976.54	\$3,030.94	\$54.40	1.83%
Wahkiakum	\$2,033.91	\$2,167.49	\$133.58	6.57%
Walla Walla	\$2,979.16	\$2,856.35	(\$122.81)	-4.12%
Whatcom	\$2,556.77	\$2,591.96	\$35.19	1.38%
Whitman	\$3,023.41	\$3,163.54	\$140.13	4.63%
Yakima	\$2,583.99	\$2,745.42	\$161.43	6.25%
Statewide	\$2,503.91	\$2,566.19	\$62.28	2.49%

* Based on a home assessed at \$200,000 for 2002 taxes, multiplied by the average tax rate in each county. The value of the home for 2003 taxes was increased by the percentage increase of all existing properties in a county, multiplied by the average county tax rate for 2003. The change in taxes for any specific property will depend on where in a county it is located and whether its value rose or fell at a different rate than the countywide average.

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